



U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105



Navajo Nation Environmental Protection Agency
P.O. Box 339
Window Rock, AZ 86515

JAN 27 2014

Mr. Robert Talbot
Manager
Navajo Generating Station
Salt River Project
P.O. Box 850
Page, Arizona 86040

Re: Mercury and Air Toxics Standards Compliance Extension Request for Navajo Generating Station

Dear Mr. Talbot:

The Navajo Nation Environmental Protection Agency ("NNEPA") and Region IX of the United States Environmental Protection Agency ("USEPA") are in receipt of your letter dated June 28, 2013, as supplemented on December 19, 2013, regarding your request for a one year extension for compliance with 40 C.F.R. Section 63, Subpart UUUUU – National Emission Standards for Hazardous Air Pollutants From Coal- and Oil-Fired Electric Utility Steam Generating Units ("MATS") for Navajo Generating Station ("NGS") Units 1-3. Your December 19, 2013 supplement, which NNEPA received on December 24, 2013, was responsive to NNEPA's finding of incompleteness issued to you on October 3, 2013. Your request, in asking for an additional year to achieve compliance with the MATS, identifies technical difficulties with the control technologies being considered and being tested at NGS, including sorbent polymer limitations and unusual equipment corrosion problems. Your request, as supplemented, proposes the following compliance schedule:

1. Salt River Project ("SRP") will submit to NNEPA a title V permit modification application that incorporates the final mercury control strategy by no later than April 1, 2015;
2. SRP will commence construction to incorporate the mercury control strategy on-site by no later than October 1, 2015; and
3. SRP will complete on-site construction and comply with all mercury provisions of the MATS rule by no later than April 16, 2016.

Pursuant to 40 C.F.R. § 63.6(i), NNEPA and USEPA hereby jointly approve your request for a one year extension to April 16, 2016 to comply with MATS at NGS, including the proposed

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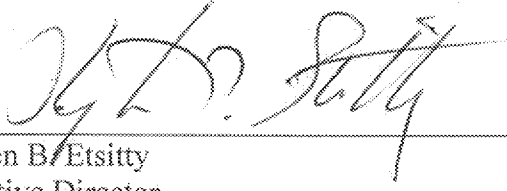
compliance schedule. This approval is contingent upon SRP submitting: (1) a permit modification application to NNEPA by May 30, 2014 to incorporate the MATS compliance extension and the compliance schedule into the title V permit; (2) progress reports to both NNEPA and USEPA that indicate the status of completion of each step of the compliance schedule within 30 days after the completion date for that step; and (3) a final report to both NNEPA and USEPA within 30 days after the final compliance deadline describing the chosen control technology and demonstrating that it is meeting the MATS requirements.

Notwithstanding the compliance extension and the other conditions of approval as described above, nothing in this approval otherwise changes or modifies any requirements of the MATS as it applies to NGS or its operations.

If you have any questions, please contact either Eugenia Quintana, Environmental Department Manager, at NNEPA at 928-871-7800, or Mark Sims, Air & TRI Enforcement Office, USEPA, at 415-972-3965.

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FOR THE NAVAJO NATION ENVIRONMENTAL PROTECTION AGENCY:



Stephen B. Etsitty
Executive Director
NNEPA

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Date:

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FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:



Kathleen H. Johnson
Director, Enforcement Division
USEPA Region 9

1/24/17
Date: